

Hearing Date and Time: June 15, 2011 at 10:00 a.m.

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	:	Chapter 11 Case No.
	:	
LEHMAN BROTHERS HOLDINGS INC., <u>et al.</u> ,	:	08-13555 (JMP)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**STATEMENT OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS
WITH RESPECT TO MOTION OF LEHMAN COMMERCIAL PAPER INC
PURSUANT TO SECTION 105(A) OF THE BANKRUPTCY CODE AND
BANKRUPTCY RULE 9019 FOR APPROVAL OF SETTLEMENT AND
COMPROMISE WITH LATSHAW DRILLING COMPANY LLC AND
LATSHAW DRILLING AND EXPLORATION COMPANY INC**

The Official Committee of Unsecured Creditors (the “Committee”) of Lehman Brothers Holdings Inc. and each of its affiliated debtors in possession (collectively, the “Debtors”) hereby files this statement in connection with the motion (Docket No. 16806, the “Motion”)¹ of Lehman Commercial Paper Inc.’s (“LCPI”), dated May 13, 2011, pursuant to section 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), and rule 9019 of the Federal Rules of Bankruptcy Procedure for the approval of a settlement with Latshaw Drilling Company LLC and Latshaw Drilling and Exploration Company Inc. (collectively, “Latshaw”):

¹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion.

STATEMENT

1. The Committee concurs in the Debtors' view that the terms of the Settlement Agreement fall within the range of reasonableness and, therefore, does not object to the Motion. The Debtors consulted with the Committee frequently over the course of the Lathshaw litigation, and extensively discussed with it prior settlement options. On March 30, 2011, the Committee consented to LCPI making a settlement offer to Latshaw substantially similar to the one ultimately accepted by Latshaw and memorialized in the Settlement Agreement.

2. The Committee does not object to the terms of the Settlement Agreement and the Court's approval thereof because, in addition to the reasons set forth in the Motion, the Settlement Agreement imposes a minimal cost on LCPI's estate in exchange for obviating the need to litigate issues relating to such matters as solvency in a "foreign" court. Thus, by avoiding litigation of the issues that had been set for trial before the Oklahoma Court, the Settlement Agreement benefits not only LCPI, but each of the Debtors' estates.

WHEREFORE, the Committee respectfully requests that the Court (i) grant the Motion; and (ii) grant such other relief as is just.

Dated: New York, New York
June 13, 2011

MILBANK, TWEED, HADLEY & M^cCLOY LLP

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